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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPORT NO.

CD NO.

COUNTRY Austria/USCR

SUBJECT Reductions in USIA Personnel and Stocks; Acceleration in USIA Exports to USER 25X1A

DATE DISTR.

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SUPPLEMENT TO REPORT NO.



- USIA is now carrying out a systematic reduction in the staff of the German 25X1X Property Department. A number of Department employees, primarily Communist Party members, are being trained in system accounting to qualify for positions with Soviet-controlled firms when the occupation forces are withdrawn. Heanwhile these employees are assigned jobs in the central offices of USIA industrial administrations.
- Avtovelo, A/O Kabel, A/O Kraska and other USIA departments are now disposing of all stocks of raw materials and partly manufactured goods which are not 2. allocated for current production quotas.
- On 15 June 1949, an engineer at Siemens-Schuckert Engerthstrasse stated that the plant has accelerated the production of goods for export to the USSR.

  The Soviet director allegedly ordered that all export items be made ready for shipment to the USSR as soon as possible. There are no indications that production is being curtailed; the purchase of raw materials continues as usual.\* "Fischerei" and "Chemie" projects for the manufacture of D.C. and A.C. motors are to be expanded and to continue for three years, \*\*

25X1A

reported that the Siemens Siemensstrasse plant was scheduling work on a month to month basis, and that the Soviet directors of the Engerthstrasse and Siemensstrasse plants refused to accept machine tools ordered from the Skoda works and Eastern Germany because of a shortage of funds.

25X1A<sub>\*\*</sub>

STATE R # X NAVY

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These projects for priority manufacture and delivery of motors to the USSR were previously reported in 25X1A

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> This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the

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Director of Central Intelligence to the